

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2002-14-E - ORDER NO. 2002-61

JANUARY 28, 2002

IN RE:	Application of Carolina Power & Light	)	ORDER APPROVING
	Company for Approval to Revise its	)	REVISION OF RIDER
	Residential Energy Conservation Discount	)	
	(RECD) Rider.	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Carolina Power & Light Company (CP&L or the Company) for approval to revise its Residential Energy Conservation Discount (RECD) Rider. The intent of the proposed change is to bring the criteria by means of which a home would qualify for the 5% discount in the RECD rider in line with the "Energy Star" qualification criteria established jointly by the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE). The Energy Star concept is a nationwide, government-sponsored program aimed at increasing energy efficiency of homes, appliances, and other energy-consuming products.

For more than twenty years, CP&L has offered its 5% energy conservation discount as an incentive to encourage builders and prospective home buyers to enhance the energy efficiency of homes in South Carolina. Presently, over 23,000 South Carolina customers qualify for the RECD Rider. CP&L has continued to raise the qualification requirements for the Energy Conservation Discount every few years. Likewise, minimum building codes have gradually been raised over the years to reflect this trend toward more

energy-efficient homes. CP&L's last upgrade was in 1998, when CP&L introduced its "Ideal Choice Home" concept. According to CP&L, the EPA/DOE "Energy Star" home, which is designed to be 30% more energy efficient than the Model Building Code, represents the next logical step in the progression.

The Energy Star concept requires greater energy efficiency than the "Ideal Choice Home" program, but utilizes less prescriptive qualification criteria, giving more flexibility to prospective participants, CP&L notes. Most homes will have to be inspected by certified testers to qualify, and must pass an energy efficiency test. Energy Star also introduces several new requirements, including programmable thermostats, efficient solar orientation of windows, and standards that vary for different climate zones in the State. The exact qualification criteria are specified in the Energy Star web site, or may be obtained from CP&L. CP&L estimates that a typical Energy Star home will cost approximately 1% more to build than a home that simply conforms to the minimum requirements of the building code in South Carolina.

Under CP&L's plan all customers currently on the RECD Rider, and those who qualify for the existing Rider before the effective date of the proposed revision to the RECD Rider will be grandfathered under the existing qualification criteria.


According to CP&L, these modifications to CP&L's RECD Rider will promote increased energy efficiency and customer savings as well as reducing peak load growth and the need for additional generation resources. CP&L asks that we approve its RECD-2 Rider to be effective February 1, 2002.

CP&L states that it will monitor and evaluate its residential energy efficiency programs and modify them as necessary to meet the changing needs of its customers. Also, in the event there is a major change in the “Energy Star” program, CP&L has agreed to notify the Commission of such change.

After an examination of CP&L’s submitted materials in this case, we have concluded that Company’s proposal is in the public interest and should be granted as filed, effective February 1, 2002. All customers currently on the RECD Rider, and those that qualify for the existing Rider before the effective date of the proposed revision to the Rider will be grandfathered under the existing qualification criteria.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)